



January 26, 2016

The Honorable Orrin Hatch
Chairman
Senate Finance Committee
219 Dirksen Senate Building
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Senate Finance Committee
219 Dirksen Senate Building
Washington, D.C. 20510

The Honorable Johnny Isakson
Co-Chair, Chronic Care Working Group
131 Russell Senate Building
Washington, D.C. 20510

The Honorable Mark Warner
Co-Chair, Chronic Care Working Group
475 Russell Senate Building
Washington, D.C. 20510

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

On behalf of the Alzheimer's Foundation of America (AFA), a nonprofit organization that unites more than 2,400 member organizations nationwide with the goal of providing optimal care and services to individuals confronting dementia, and to their caregivers and families, I wish to commend you on the draft policy options document produced by the Bipartisan Chronic Care Working Group (the "Working Group").

AFA appreciates the time and effort expended by the Working Group and supports many of the proposals that seek to increase care efficiencies, provide better health outcomes and lower overall care costs for Medicare beneficiaries with chronic conditions including people living with dementia. AFA has some additional feedback and recommendations regarding the proposals released in December 2015. These comments include:

Expanding Independence at Home (IAH) Care Model

For individuals living with dementia, IAH could offer two different levels of savings. First, by allowing individuals with Alzheimer's disease to receive quality care at home, we could lower both the number and percentage of the nursing home population with the disease. Second, coordinated in-home care could provide efficiencies in care delivery (as in the Medical Home provisions) through a centralized medical provider.

Reducing the number of nursing home residents with Alzheimer's disease by just 10 percent would cut Medicare spending by approximately \$800 million in a given year. Over 10 years, this

cost saving increases to approximately \$11.4 billion. In addition, efficient in-home care could reduce unnecessary spending on medical services rendered when a beneficiary receives care in a medical facility. Such a reduction in office visits and hospitalizations could help prevent unnecessary tests and services.

To ensure these outcomes, however, **AFA calls for specialized dementia training for both direct and indirect caregivers under the IAH model.** Specialized dementia training will give caregivers tools and strategies to help recognize behaviors as forms of communication, build relationships with individuals with dementia and their families, ensure prescription adherence and assess environmental obstacles that could contribute to falls.

Providing Medicare Advantage Enrollees with Hospice Benefits

While AFA supports efforts to extend and increase enrollment in the Medicare hospice benefit, we are concerned that incorporating the hospice benefit in Medicare Advantage (MA) plans will restrict access and limit beneficiary choice. Under the current system, MA enrollees are not bound by limited managed care networks, are not subject to additional costs or co-pays, and do not have to receive pre-approval to access hospice.

Under the Working Group's proposal, however, beneficiary access could be severely limited. Network adequacy requirements call for plans to contract with a bare minimum of providers based on statistical formulas and geography. Small, community-based providers, faith-based providers, and others may be left by the wayside, leaving beneficiaries without access to them. MA plans could also assign additional co-pays, deductibles, or prior-authorizations for both in- and out-of-network hospice utilization, adding financial burden and stress to both the beneficiary living with Alzheimer's disease and their family caregivers.

To ensure the growing number of MA enrollees' access to the hospice of their choice, **beneficiaries must be allowed the flexibility to go outside of the MA plan network to receive hospice services from specialized or faith based providers without financial penalties.**

Improving Care Management Services for Individuals with Multiple Chronic Conditions

AFA supports the Centers for Medicare and Medicaid Services' (CMS) recent rule allowing for physician reimbursement for care management. Yet the rule, as currently written, fails to provide adequate time for care management and the planning necessary for persons living with Alzheimer's disease.

In these instances, care planning must go beyond healthcare services to include:

- making living arrangements;
- taking care of financial and legal matters;
- taking advantage of support services;
- getting informed of clinical trials; and

- developing support networks.

AFA, therefore, supports the Working Group's proposal **establishing a high-severity chronic care management code. Such a benefit should:**

- **Extend to all Medicare beneficiaries with an Alzheimer's diagnosis.**
- **Reimbursement to all members of the interdisciplinary care team involved in the consultation including: clinicians, care discharge specialists, spiritual health providers, social workers, financial planners and legal providers.**
- **Family caregivers or a designated individual should be allowed to participate in these consultations to ensure that the best wishes of the beneficiary is articulated and the information provided retained.**

Lastly, such a code should be made permanent. Given the uncertain politics surrounding this issue, making the benefit permanent will allow it to be acclimated to the Medicare program. CMS could then use the regulatory process to make any changes regarding effectiveness or utilization.

Increase Convenience for Medicare Advantage Enrollees through Telehealth

AFA efforts to expand access and utilization of telehealth services. Yet, because of geographic and site restrictions, Medicare fees for services beneficiaries who live in medically-underserved urban areas or who are homebound are unable to benefit from telehealth. There is no coverage for about 80 percent of Medicare beneficiaries who live in the areas of the country that are not considered "rural." To illustrate this point, in 2009, there were more than 43 million Medicare beneficiaries, yet only 14,000 received telehealth services.

AFA recommends that in addition to MA plans, the Working Group **lift geographic and originating site restrictions from the Medicare fee-for-service telehealth benefit.** Eliminating these restrictions would enable Medicare beneficiaries to receive connected care services in less costly settings, ensure fair access to connected care services for all beneficiaries, regardless of whether they live in rural or metropolitan areas, and improve care coordination and outcomes for those Medicare beneficiaries living with chronic conditions, including those with dementia.

Establishing a One-Time Visit Code Post Initial Diagnosis of Alzheimer's/Dementia or Other Serious or Life Threatening Illness

AFA applauds the Working Group for understanding the complexities of care planning for individuals with dementia. Access to care planning services and supports will help those living with Alzheimer's disease and their family caregivers to:

- make living arrangements;
- address financial and legal matters;
- express end-of-life wishes;

- adopt healthy lifestyles (*i.e.*, proper diet, mental activity, physical exercise); and
- develop care teams and other support networks.

AFA urges the Working Group to model the visit code on **elements of the HOPE Act (S.857/H.R.1559)**. **Under the HOPE Act, providers would be required to document the diagnosis and care planning services in the individual's medical record.** Documentation of Alzheimer's disease in an individual's medical record is critical for care coordination and necessary for health care providers to address other co-morbidities, such as diabetes. It will also help ease transitions between care settings and help identify individuals with dementia to hospital emergency departments and first responders.

Again, thank you for your leadership in identifying policy solutions that incorporate innovative and creative care delivery models for persons with chronic conditions, including Alzheimer's disease. AFA looks forward to working with you and other stakeholders as legislation is developed. Feel free to contact me or Eric Sokol, AFA's vice president of public policy, at esokol@alzfdn.org if you have questions or need further information.

Sincerely,

A handwritten signature in black ink, reading "C.J. Fuschillo, Jr.", enclosed in a thin black rectangular border.

Charles J. Fuschillo, Jr.
President and CEO