



ELIZABETH FOWLER
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BY ELECTRONIC DELIVERY TO: chronic_care@finance.senate.gov

June 22, 2015

The Honorable Orrin Hatch
Chairman, U.S. Senate Finance Committee
104 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member, U.S. Senate Finance Committee
221 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Johnny Isakson
U.S. Senate Finance Committee
131 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Mark R. Warner
U.S. Senate Finance Committee
475 Russell Senate Office Building
Washington, D.C. 20510

Dear Chairman Hatch, Ranking Member Wyden and Senators Isakson and Warner,

This letter is in response to your May 22 letter to stakeholders requesting recommendations to improve care for Medicare beneficiaries with chronic conditions for consideration by the Finance Committee's chronic care working group. Johnson & Johnson is fully supportive of the formation and goals of the working group, and we appreciate the invitation to contribute.

The Johnson & Johnson Health and Wellness Solutions portfolio of programs focuses on wellness and prevention, behavioral health, and chronic disease support, to improve the quality and vitality of life. The programs leverage expertise from across the Johnson & Johnson Family of Companies, including behavioral science, clinical knowledge and consumer insights, to move beyond product offerings to create holistic, consumer- and patient-centered solutions.

As you reference in your May 22 letter, the traditional Medicare fee-for-service program is often too inflexible to take full advantage of many recent innovations that are used by commercial insurers, including Medicare Advantage plans, to better engage patients with chronic health conditions. An example of this relevant to improving care coordination for people with chronic illness is digital health coaching. Currently, our digital health coaching programs are being used by over 20 different insurers (covering 30 million Americans) including large commercial plans, Medicare Advantage plans, Medicaid managed care plans as well as plans servicing the individual health insurance market (i.e., not part of an employer group [large or small]). However, these programs are not generally available to beneficiaries of traditional Medicare because they are not a statutorily defined benefit (e.g., prescription drugs, physician services, or durable medical equipment).

Digital health coaching programs empower individuals by emulating a health coach to help people facing multiple chronic challenges (diabetes, depression, sleep problems, and more) better self-manage their health. By transmitting feedback to the patient's treating health care practitioner, they can also help in care coordination. Johnson & Johnson's Health and Wellness Solution's programs are scientifically-based (combining expertise

from the fields of human behavior, medicine, and digital content development), and individually-tailored to recommend concrete, tailored action steps based on user-identified health and wellness goals.

The attached document describes how our digital health coaching programs work, the range of chronic conditions for which we offer a program, and the published evidence to support that they work. For example, one study highlighted in this document found that for each participant in our digital health coaching programs the plan demonstrated an average year-over-year cost saving of \$382 in actual medical expenses. This is one reason why so many commercial plans, including Medicare Advantage plans, offer these programs to their members.

Similar to arrangements with other insurers, we propose that CMS be given authority to contract directly for digital health coaching programs to be available to traditional Medicare beneficiaries (as well as those covered under alternative payment models). Based on our experience (as a sole contractor providing these programs to individual insurers), traditional Medicare could make these programs available online to every beneficiary (at no cost to the beneficiary) for minimal cost to the program. If the programs do not achieve savings or budget neutrality over an appropriate evaluation period, CMS could discontinue their availability.

Thank you for the opportunity to provide input into your process. We would welcome the opportunity to discuss this in greater detail.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elizabeth J. Fowler".

Elizabeth J. Fowler, Ph.D., J.D.
Vice President, Global Health Policy
Johnson & Johnson

Attachment: 1