



June 17, 2015

The Honorable Orrin Hatch
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Johnny Isakson
United States Senate
Washington, D.C. 20510

The Honorable Mark Warner
United States Senate
Washington, D.C. 20510

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

On behalf of the nation's Medicaid Directors, we appreciate the opportunity to share our perspective on chronic care reform with the Senate Finance Committee and its newly-formed chronic care working group.

NAMD is a bipartisan organization which represents Medicaid Directors in the fifty states, the District of Columbia, and the territories. Medicaid programs are often the largest insurers in a state, with responsibility to provide coverage for some of the most vulnerable individuals in the country. The development and implementation of initiatives tackling chronic care management and other delivery system innovations is central to our work in meeting these challenges. State Medicaid's rich experience in this field can help inform the work of the Committee as it seeks to reform chronic care management in Medicare and other programs.

Guaranteeing the highest quality care possible for Medicaid beneficiaries is one of our greatest priorities. Medicaid Directors have been at the forefront of implementing effective programs that ensure services are actually coordinated by health care providers, and that outcomes are enhanced. Many have accomplished this by leveraging the expertise and skills of health plans to deliver care management and case management services to beneficiaries. More recently, Medicaid has been an enthusiastic leader in supporting health homes, an innovation designed to provide the coordinated care that is essential for individuals with chronic conditions. Many Medicaid programs have also designed and implemented accountable care organizations (ACO) as a way to provide health



coverage that seeks to coordinate a range of services to promote population health and raise health care quality.

These are not the only delivery system innovations that state Medicaid agencies have developed. From innovative approaches to long term services and supports, to initiatives that support targeted care and services for high cost, high need beneficiaries, to creating linkages between physical and behavioral health, state Medicaid programs have been pioneers in payment and service delivery.

These innovations have required substantial investments in resources, time, and energy to set them on the path of success. They were designed to deliver the best care to populations with highly specific needs that are often unique only to Medicaid. As the federal government moves forward with its strategy to reward value and incentivize better care, it will be vital to make sure that the substantial work Medicaid programs have done remains incorporated in larger vision for reform.

As laboratories of democracy, states have historically served as the linchpin for innovative policy strategies. This is especially true in health care. As the Committee and working group begins its work to identify the necessary solutions to better providing care for chronic conditions, we encourage bringing in the experience and perspective of state Medicaid programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Betlach", written in a cursive style.

Thomas J. Betlach
Arizona Health Care Cost
Containment System Director
State of Arizona
President, NAMD

A handwritten signature in black ink, appearing to read "John B. McCarthy", written in a cursive style.

John B. McCarthy
Director
Ohio Department of Medicaid
State of Ohio
Vice-President, NAMD