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Wyden Statement at Finance Committee Hearing on Chronic Care <u>As Prepared for Delivery</u>

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I would first like to thank Chairman Hatch for his leadership on this critical issue. Ten months ago, the Finance Committee came together to discuss one of the premier challenges of our time – addressing the chronic illnesses that dominate America's flagship health program, Medicare. Chronic illnesses – heart disease, diabetes, and cancer, among others, now account for almost 93% of Medicare spending.

That certainly wasn't the case when the program began in 1965. Back when Medicare first started, its primary purpose was to help people with catastrophic health events that put them in the hospital. That picture has turned upside down. Though it's hard to get the numbers from that era, we know this much: in 1970, according to the Centers for Medicare and Medicaid Services, 64 percent of total Medicare spending was devoted to care provided to patients in the hospital. By 2010, that number dropped to 26 percent.

Today, the vast majority of Medicare dollars are spent caring for patients living with multiple persistent, chronic health conditions that require a variety of services. Although it's a good thing that care is being provided outside the hospital, but this care is – more often than not – uncoordinated and costly. With a trend this clear, it's time for both parties to tackle this issue head on, and I commend Chairman Hatch for making it a priority for the Committee.

I also want to point out that last month, Congress took the important step of ending the broken Sustainable Growth Rate formula. Throwing SGR in the junk bin accomplished two big things. First, it engraved in stone the principle of rewarding medical care that provides quality care over quantity. And second, it cleared the legislative logjam that has blocked Congress from taking a close look at how Medicare can be tuned to work better for patients and encourage providers to improve the care they are delivering. So it is going to be critical to build off that progress as the Finance Committee moves forward to address the challenge of treating chronic illnesses.

Since our hearing last July, I've held a number of roundtables in Oregon to hear what the Committee can do to make Medicare work better when it comes to chronic care. I received a lot of crucial insights along the way and I'm going to take some time to offer what, in my view, are several key principles that should be a part of any attempt to more effectively care for patients with multiple chronic conditions.

First, Medicare needs to encourage teams of providers to coordinate care for their patients with chronic conditions. People dealing with multiple chronic illnesses often have half a dozen doctors, but those doctors may not communicate to provide the most efficient care. This situation needs to be turned on its head in favor of a holistic approach that encourages providers to work together to make our patients healthy.

Working with multiple doctors is especially challenging for people living in rural communities. Treating multiple chronic conditions is hard to do anywhere, but it's even more difficult when doctors and specialists are eighty miles apart. Families that face chronic health issues shouldn't have to add a whistle-stop tour of doctor's offices to their list of challenges.

Second, Congress needs to make life easier for providers who want to coordinate care, whether that's more information about patients, improved access to innovative technology, or other measures that promote flexibility. At the same time, accountability is critical to ensure providers are successfully treating patients while also producing savings from coordinating care. And if something doesn't work, health innovators should explore other options.

I've been passionate about this issue for a while now, but with the input and efforts of the whole Finance Committee I am confident we can craft a solution that really gets at the heart of the challenges posed by chronic illnesses, and do so in a way that brings members together on a bipartisan basis.

I'm especially pleased to be teaming up with Chairman Hatch on a plan that begins with a working group and ends with legislation passing out of this committee. This working group will develop policy options to address how Medicare can work better for Americans with chronic illnesses, and it will be co-chaired by Sens. Isakson and Warner.

Senator Isakson has been as dogged as anyone on this issue, and I had the privilege of working with him last year to propose some of our own ideas. Senator Warner will also be a chair, and since joining the committee last year he has already demonstrated an unshakeable commitment to seeking workable solutions on big, important issues, and doing so in a bipartisan way. I look forward to seeing the results from this working group, especially given the interest of Members like Sen. Bennet and others, who have demonstrated an eagerness to dig into this issue and come up with real, meaningful reforms.

The Committee has already received some vital feedback from patients, providers and others, including a woman named Stephanie Dempsey, who was a witness at our hearing last July. Ms. Dempsey was dealing with heart disease, lupus, arthritis and a seizure disorder, and I'm sorry to say she passed away in December due to those conditions. At the hearing she said to us: "I am confident that you will not forget me and countless other people when you develop policies that will help all of us. Our goals are all the same — to live long, healthy and productive lives."

Her death should clearly signal the seriousness of chronic illness and the urgency needed by this Committee to adopt a lasting, robust solution to address how Medicare treats it. It's critical for us to keep in mind who we're working to help.

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