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

There are big opportunities ahead to make substantial, bipartisan progress when it comes to protecting and updating the Medicare guarantee, and that's what the Committee will be discussing this morning.

The first is implementing the plan to throw in the trash can the hopelessly broken, out-of-date Medicare reimbursement formula known as the SGR. This was the source of endless uncertainty for health care providers and seniors, and it's now in the dustbin of history. Today, the Committee will talk about how its replacement will be implemented.

Second, it's important to build on the new Medicare payment system, and in my view the obvious place to start ought to be in the area of chronic care. Seniors suffering from these chronic illnesses, such as heart disease, cancer, diabetes and stroke, now account for 93 percent of spending in the program. I'm glad that's now a bipartisan focus of this Committee.

By finally clearing the decks of the S GR debacle, the Finance Committee has been able to get to work on developing legislation that will empower families and Medicare to manage and treat these debilitating diseases. I'd like to thank Chairman Hatch, along with Senators Isakson and Warner especially, for their continued dedication to this issue. This effort is already paying dividends; last week, in a rule released by the Centers for Medicare and Medicaid Services (CMS), they proposed adopting four policies the chronic care group has developed and putting them in place administratively. There's still more work to be done, but that was a promising start.

Now when it comes to replacing the SGR, Medicare payment reform took the important step of engraving in stone the principle of rewarding medical care that provides quality over quantity. For the seniors who depend on the Medicare guarantee, that ought to result in better, more thoughtful health care. That's the direction that health care is headed in across the country, and Medicare should be leading the way.

I'll make two key points about what it's going to take to implement this legislation the right way.

First is to make sure all doctors who care for our seniors get fair treatment under these new rules. That's particularly important for the small or solo practitioners who are truly the backbone of rural communities.

Second, this legislation supports efforts to strengthen primary care, which in my view is key to making people healthier and bringing down costs. For example, the "Comprehensive Primary Care Plus" model allows Medicare to partner with commercial and state health insurance plans so everyone is on the same page when it comes to paying for value and quality care.

That means a primary care doctor who has business in the commercial market and in Medicare doesn't have to find a balance between many different sets of rules as she's trying to serve as many people in her community as possible. This is just one promising example, if done right, of innovative changes to the way doctors are paid that will improve care for seniors in the program – exactly what these reforms were designed to do.

I'd also like to thank Andy Slavitt, Acting Administrator of the Centers for Medicare and Medicaid Services, for joining the Committee this morning. Andy has always been committed to doing right by the millions of Americans who have to navigate the health care system every day. His role in pushing for more value and quality in health care is a big part of making that a reality.

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