

Committee on Ways and Means

Medicare Prescription Drug, Improvement, and Modernization Act of 2003

Chronic Care Improvement Program

Seniors with multiple chronic conditions are more expensive to treat because they are more likely to be hospitalized, have more physician and home health visits, and fill more prescriptions for drugs. Keeping seniors healthier is an important way to improve both health outcomes and save money.

Medicare is simply a payor of bills and does not help beneficiaries manage their illnesses to stay well.

- 84% of Medicare beneficiaries have one or more chronic conditions.
- 62% have two or more conditions.
- Individuals with chronic conditions account for 95% of Medicare spending.
- Two-thirds of Medicare spending is for people with five or more chronic conditions (RWJ Foundation.)

In order to improve quality of care and reduce overall Medicare costs, the bill provides chronic care improvement (CCI) programs for Medicare beneficiaries in the traditional fee-for-service program, as well as in Medicare Advantage.

These CCI programs would be voluntary, budget neutral and provide the following services:

- A single point of contact to coordinate care across settings and providers.
- Self-care education for the beneficiary, primary caregivers, family members, and health care providers.
- Coordination between health services and prescription drug benefits.
- Use of monitoring technologies to enable exchange of pertinent clinical information.
- Education about and assistance obtaining hospice, pain management, palliative, and end of life care.

Fee-for-Service Chronic Care Improvement Programs:

The Secretary would contract with chronic care improvement organizations through a competitive bidding process to provide a CCI program. If the following criteria are met, the Secretary would expand implementation of the program to additional geographic areas.

Criteria for expansion would include:

- Improvement in the clinical quality of care and beneficiary satisfaction.
- Reduced Medicare spending.

Contractors must:

- Be accredited by qualified organizations.
- Accept risk-sharing as part of the contract.

The Secretary would make initial contact with the targeted beneficiary and would provide information concerning CCI programs offered in the beneficiaries' region.

Medicare Advantage:

- The provision of chronic care improvement programs would be a quality requirement for private plans.
- Most Medicare HMOs currently provide chronic care improvement programs.