

Summary: The Wyden-Isakson-Paulsen-Welch *Better Care, Lower Cost Act*

The Problem: Medicare is not doing enough to take care of chronically ill patients, and the limitations of the fee-for-service system prevent a coordinated focus on these patients and their needs. This is critically important because most Medicare enrollees suffer from multiple chronic conditions. According to CMS, in 2010, 68 percent of Medicare enrollees suffered from two or more chronic conditions, and accounted for 93 percent of Medicare spending (roughly \$487 billion annually). Additionally, 98 percent of hospital readmissions involved beneficiaries with multiple chronic conditions. There are existing models of care that are meeting the needs of some chronically ill patients – at lower costs – but the vast majority of these innovative care delivery models are located in the Pacific Northwest, the Midwest, and Northeast, leaving millions of Medicare enrollees across the country without access to proven, integrated models of care.

Our Solution: The *Better Care, Lower Cost Act* removes the barriers that prevent Medicare providers from building on existing successful delivery models, and provides a framework for encouraging innovative chronic care delivery across the country. Specifically, our bill:

Provides Critical Support for Providers

To support providers and plans wanting to actively engage and care for this population, this proposal: does not include any form of the attribution rule, encourages specialized team-based care with rewards for improving patient's outcomes, uses telemedicine and knowledge networks to increase access in rural areas, and includes vital case management services proven to increase medical compliance.

Focuses on the Unique Needs of Medicare Enrollees

To help transition Medicare from a program that simply treats sickness to one that promotes wellness, this proposal identifies the patients most in need and provides them with better care *before* becoming the most acutely and persistently ill. To improve standards of care for Medicare enrollees, the bill provides for changes to medical school curricula in order to better respond to the evolving needs of the chronically ill.

Ends Geographic Disparities in Integrated Care

This proposal creates incentives for higher quality, lower cost Medicare coverage nationwide that is open to Medicare beneficiaries regardless of income or place of residence. With a "Better Care Plan" (BCP) designation, a state-licensed and certified provider may practice at the top of his/her license, removing barriers to care that currently exist in parts of the country with provider shortages.

Pays for a Medicare Program Taxpayers Want and Beneficiaries Need

In response to the need to move away from fee-for-service, this proposal makes BCP providers and plans fully responsible for the cost, care and outcomes of their enrolled patients, and directs CMS to determine spending based on the experience of similar patients that are not enrolled in a BCP.