



May 16, 2017

The Honorable Orrin Hatch
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Johnny Isakson
United States Senate
Washington, DC 20510

The Honorable Mark Warner
United States Senate
Washington, DC 20510

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

The Alliance of Community Health Plans (ACHP) applauds the introduction of S. 870, the Creating High-Quality Results and Outcomes Necessary to Improve Chronic (CHRONIC) Care Act of 2017. We thank the Senate Finance Committee and the Chronic Care Working Group for your efforts and commitment to improving the care of Medicare beneficiaries with chronic conditions. We believe this legislation makes important changes to the Medicare program which will encourage innovative and cost effective approaches to patient care delivery that will improve health outcomes.

ACHP is a national organization bringing together innovative health plans and provider groups leading the nation towards a value-based health care financing and delivery system. Members are non-profit organizations or subsidiaries of non-profit health systems. They provide coverage and care for more than 18 million Americans across 27 states and the District of Columbia, including 2.4 million Medicare beneficiaries.

ACHP supports provisions in the CHRONIC Care Act that would permanently reauthorize special needs plans, expand the MA Value-Based Insurance Design Model and expand supplemental benefits to meet the needs of chronically ill MA enrollees.

We applaud and strongly support the provision that allows MA plans to offer additional, clinically appropriate, telehealth benefits in its annual bid amount beyond the services that currently receive payment under Part B. We also urge the committee to reconsider language that may be unnecessarily limiting, given the pace of technological change. This language would require the Secretary to solicit comments on what types of telehealth services offered to enrollees as supplemental benefits should be considered as additional benefits. This could ultimately limit what telehealth services are included in the basic bid. Telehealth is not a separate and distinct service, but rather a modality that enables providers to deliver already covered care in a way that improves health, increases consumer convenience and lowers

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the cost of care without increasing utilization. We caution against an approach that is overly prescriptive in listing specific services that are permitted and not permitted, and which may not keep up with changing technology and innovations that improve care and patient access.

Initial evidence from ACHP member plans indicates that the use of telehealth-based services does not increase costs and may, in fact, lower them. For example, in its testimony for the May 16, 2017 committee hearing, UPMC Health Plan states that a 2014 analysis of its e-visit program, "Anywhere Care," found no evidence that e-visits or other telehealth initiatives added to costs. In fact, "data indicated that members who utilized an e-visit had a lower overall cost of care for the conditions treated than members who sought the same care in an emergency room, urgent care center, primary care office, or retail clinic."

Another area of concern for ACHP is the language that states the Secretary may consider implementing the quality star rating system at the plan level for special needs plans and all MA plans. Applying the star ratings at the plan level instead of the contract level would cause beneficiary and market confusion when plans have several benefit packages in the same area. Reporting of data at the plan level will lead to small denominators for smaller, community plans like ACHP members and could cause unwarranted variations in ratings. In addition, reporting HEDIS, CAHPS, and HOS data at the plan level would lead to increased administrative burden and cost. We do not believe this issue furthers the goals of this legislation and hope that the committee will exclude this language as the legislation proceeds in the Senate.

Thank you again for introducing this important legislation. Our plans stand ready to work with you and Senators of both parties to develop market-tested solutions based on many years of experience improving the health of communities across the nation and the American health care system as a whole. As always, if you or your staff have any questions, please do not hesitate to contact me at cconnolly@achp.org or 202-785-2247.

Sincerely,



Ceci Connolly
President and CEO
Alliance of Community Health Plans