

February 2, 2018

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Chuck Schumer
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan and Minority Leader Pelosi:

As Congress works toward agreement on a number of vital issues, we write to urge the inclusion of the Medicare Extenders package – and specifically the permanent reauthorization for the Medicare Advantage (MA) Special Needs Plan (SNP) program – in the February 8th Continuing Resolution.

The 2.5-million Medicare beneficiaries who choose MA SNPs include some of the highest cost and hardest to serve populations covered by Medicare: those that require an institutional level of care, are dually eligible for Medicare and Medicaid, or live with serious conditions ranging from chronic heart failure to dementia. Because the SNP program provides great opportunity to improve quality, lower costs, and coordinate care, it has enjoyed bipartisan support since its establishment in 2003.

Unfortunately, the uncertainty associated with repeated short-term reauthorization has hindered investment in this form of MA plans. That is one reason why our organizations were encouraged that a permanent SNP reauthorization passed the Senate as part of the CHRONIC Care Act, and that the House and Senate are working together in a bipartisan manner toward a Medicare extenders package that endorses reforms like long term integration of certain types of innovative services such as telemedicine, and greater incentives for financial risk on the part of plans, along with the need for permanent SNP reauthorization.

Permanent reauthorization is needed to spur such investment and better enable SNPs to innovate in the areas of coordinated care, disease management, and other initiatives that have shown SNP beneficiaries to experience lower hospital admission and readmission rates, shorter lengths of stay, and more physician visits in comparison to traditional Medicare.

The time is now. The Congressional Budget Office reports that permanently reauthorizing SNPs would not increase Medicare spending. Immediate action on SNP permanency, along with other Medicare extenders and chronic care reforms, is needed because the initial deadline to apply for plan sponsorship for year 2019 is February 14th.

less than a month away, even though SNPs are only authorized through December 31st of this year. Failure to act promptly will only increase uncertainty in the market place and limit the options available to Medicare beneficiaries.

Congress has long sought ways to improve quality of care and reduce costs for Medicare beneficiaries with complex medical conditions. SNPs can provide the high quality care and better management of chronic conditions that these patients need. A permanent SNP reauthorization offers an important bipartisan avenue to do right by these beneficiaries. We urge you to act now to seize this opportunity.

Thank you for your attention to this pressing issue. We look forward to continuing to work with you.

Sincerely,

Alliance of Community Health Plans
America's Health Insurance Plans
America's Physician Groups
Anthem Inc.
Better Medicare Alliance
Blue Cross Blue Shield Association
Association for Community Affiliated Plans
Healthcare Leadership Council
Meals on Wheels America
National Alliance on Mental Illness
National Coalition on Health Care
SCAN Health Plan
SNP Alliance

cc: Senate Finance Committee
cc: Energy and Commerce Committee
cc: Committee on Ways and Means