

# Wellness



## HLC OUTLOOK: Wellness and Chronic Care Management



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### ISSUE

Growing health care costs have spurred interest in better value for the health care dollar. Legislators are paying increasing attention to the chronically ill as they consume a disproportionate share of health care spending. Some estimates suggest that health care spending on chronic diseases accounts for up to 75 percent of health spending. A June 2006 Report to Congress by the Medicare Payment Advisory Commission (MedPAC) found that, in 2002, 48 percent of Medicare fee-for-service (FFS) spending went to the costliest 5 percent of beneficiaries, with 88 percent of Medicare spending consumed by the costliest quartile. Chronic care management shows promise to address rising costs driven by the growing incidence of chronic disease, while still increasing quality and protecting health care access. Legislators are also attentive to disease prevention with efforts to promote greater nutrition, fitness, and overall wellness.

### HLC POSITION

**HLC believes that chronic care management and wellness will play an important role in improving health care delivery and making the most efficient use of health care expenditures.** HLC aims to promote the importance of prevention and chronic care management as a core component of health care delivery; developing new approaches to result in Congressional Budget Office (CBO) scoring savings; and ensuring the inclusion of chronic care management and wellness as critical components of health reform, as **addressing significant cost drivers is more appropriate than implementing price controls or mandates.**

### HLC ACTION

- HLC included wellness and chronic care management as one of its 2008 strategic plan issues.
- The 2008 HLC Innovations event on July 24<sup>th</sup> featured new exhibitors the Campaign to End Obesity, the Partnership to Fight Chronic Disease, and the Medicare Diabetes Screening Project. Sixteen members of Congress and approximately 260 congressional and other staff members attended the event in the Cannon Caucus Room.
- HLC sent a letter to Congressman Frank Pallone, Jr. (D-NJ) in support of the diabetes provisions in H.R. 1328, the “Indian Health Care Improvement Act”.

## **HLC ACTION (con't)**

- HLC participated in the Campaign to End Obesity's congressional event, "A Congressional Call to Action: What Congress Can Do to Address Obesity," on May 16 in the Rayburn Foyer. The campaign's Call to Action report included feedback from HLC members.
- As an Advisory Board member of the Partnership to Fight Chronic Disease, HLC assisted in gathering information for PFCD's upcoming "Promising Practices" document, a collection of examples of policies that successfully address chronic disease and prevention, and examine the common design features of effective programs.
- HLC joined and now co-chairs the Medicare Diabetes Screening Benefit Project to help emphasize the importance of this and other preventative benefits available under the Medicare Modernization Act.
- HLC continues to administer a Medicare Diabetes Screening Benefit pilot program in New Hampshire to develop techniques to increase the use of the screening benefit. Lessons learned from this pilot will be shared so that other communities and groups promoting preventive benefits can increase utilization.
- HLC included chronic care management and wellness as key underpinnings to its health reform recommendations. This recognizes the importance that focus in this area will play in improving health care delivery and making the most efficient use of health care expenditures.

## **TALKING POINTS**

- Estimates suggest that health care spending on chronic diseases accounts for up to 75 percent of health spending. A June 2006 report to Congress by the Medicare Payment Advisory Commission (MedPAC) found that in 2002, 48 percent of Medicare fee-for-service spending went to the costliest 5 percent of beneficiaries, with 88 percent of Medicare spending consumed by the costliest quartile.
- Chronic care management shows promise for addressing rising costs driven by the growing incidence of chronic disease, while still increasing quality and protecting health care access.
- Chronic care management saves money without cutting access to critical health services. For example, a disease management program for Florida Medicaid beneficiaries with congestive heart failure reduced health care spending over a two-year period by 16.3 percent. This resulted in net savings to the state of \$4.4 million for an average of 2,500 beneficiaries.
- Chronic care management is showing success in improving health outcomes. One of the oldest programs, based in Florida, has documented success in improving care quality and patient satisfaction, as well as in reducing certain process outcomes such as emergency room visits, hospital inpatient visits, hospital lengths of stay, and rehospitalizations.
- The private sector is embracing chronic care management. Many employers utilize employee wellness programs, health screenings, and fairs to educate employees about their own health and the importance of preventive care. In fact, Mercer Human Resource Consulting found that, nationally, 67 percent of large employers used disease-management programs in 2005, up from 58 percent in 2004.
- As Congress debates the future of chronic care management efforts, it should consider the state successes in working with the Medicaid population.
- With health care costs at an all-time high, Congress must do what it can to contain costs. Congress must continue to support the establishment of disease management programs.

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