



July 13, 2017

The Honorable Kevin Brady  
Chairman  
Ways and Means Committee  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Brady:

Thank you for your work on proposals to improve the Medicare program. As the Ways and Means Committee prepares to hold a markup on legislation regarding this important issue, the Healthcare Leadership Council (HLC) welcomes the opportunity to share our thoughts with you.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation's healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century health system that makes affordable, high quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, pharmacies, post-acute care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

With respect to Medicare, HLC supports stabilizing the program for beneficiaries using tools that have been developed and used successfully in the private sector. If we do not act thoughtfully to modernize Medicare now, the program will not be able to adequately serve future generations. Most importantly, HLC believes better care coordination and ease in navigating the healthcare system are imperative for Americans who depend on Medicare. While Medicare has played a vital role in American healthcare since it began providing benefits to seniors in 1965, it has been slow to keep up with advances in benefit design that provide important care coordination and financial protection for beneficiaries. HLC is pleased that the Committee supports giving Medicare beneficiaries access to these services, and we are strong supporters of the following proposals being considered by the Committee during its markup.

**H.R. 3178, the Medicare Part B Improvement Act**

HLC is pleased that the Committee is considering ways to improve Part B services, including expanding access to home dialysis therapy and modernizing the application of the Stark Rule.

Sec. 202, Expanding Access to Home Dialysis Therapy

HLC members have seen firsthand the value of telehealth in making the delivery of healthcare more efficient, effective, and patient-centric. HLC strongly supports the

advancement of policies designed to promote and expand telehealth and remote patient monitoring technology as a mode of care delivery. Telehealth can improve quality, alleviate access and workforce limitations, and improve customer satisfaction.

H.R. 3178 takes a meaningful step forward in expanding the use of home dialysis therapy for Americans suffering from end-stage renal disease (ESRD). In addition to the benefit for patients, we believe this modernization of care delivery will help improve healthcare quality, value, and patient care. We think that H.R. 3178 could be further strengthened by specifically ensuring that remote patient monitoring is considered in the context of telehealth and providing flexibility on requirements for face-to-face visits prior to the provision of telehealth services. These services are critical in supporting Medicare beneficiaries who are challenged with multiple chronic conditions, mobility limitations, and socioeconomic burdens.

#### Sec. 301, Modernizing the Application of the Stark Rule Under Medicare

HLC applauds efforts to modernize and reduce the administrative burden of the Stark Rule under Medicare, but emphasizes that the language in H.R. 3178 is only a first step towards a more significant reform that healthcare organizations need in order to successfully meet the objectives of the Medicare Access and CHIP Reauthorization Act (MACRA).

Recognizing the transformational nature of the shift to value-based payment within the existing legal framework governing the United States healthcare system, HLC has convened a broad group of organizations who advocate for a legal framework that allows the use of incentives to drive better value in healthcare. In order to better coordinate and deliver patient care, this framework must allow appropriate patient-serving care delivery and payment models involving broader collaboration among stakeholders in order to accelerate ongoing improvements in care quality and patient safety while reducing the rate of cost growth.

HLC believes that clarifying the authority of the Secretary of the Department of Health and Human Services (HHS) to address writing and signature requirements will allow the agency to better respond to the changing nature of the healthcare system and better support programs that seek to increase cooperation among healthcare organizations to drive higher quality and higher value care. We also believe that simplifying long-term lease arrangements and personal service arrangements will help reduce the administrative burden of compliance with the law.

In addition to these useful changes, we recommend that the Committee consider a broader set of priority legislative recommendations to better support innovative care and integrated care delivery and payment models. These priority options are available at <http://bit.do/HLCStarkWhitePaper>.

#### **H.R. 3168, the Special Needs Plans Reauthorization Act**

Special Needs Plans (SNPs) serve an important role for Medicare beneficiaries who are high-risk because they are dually eligible for Medicare and Medicaid or have severe or

disabling chronic conditions. SNPs allow beneficiaries access to care plans and provider networks designed especially for their health conditions. By coordinating care and providing access to supplemental benefits, these plans improve the health of Medicare beneficiaries and reduce costs for taxpayers. H.R. 3168 would reauthorize the SNPs until 2024 and ensure continued beneficiary access to the plans. HLC urges the Committee to consider permanently reauthorizing the SNPs, which would encourage broader replication of best practices and care delivery.

HLC also recommends that the Committee enact a proposal similar to the bill introduced in the last Congress (H.R. 4212, the “Community-Based Independence for Seniors Act”). This legislation would establish a Community-Based Institutional Special Needs Plan (CBI-SNP) demonstration program to provide home and community-based care to low-income Medicare beneficiaries who are unable to perform two or more activities of daily living. The CBI-SNP program would improve care and eliminate the need for these beneficiaries to spend down their income and assets to qualify for Medicaid. They would instead be provided with home and community-based long-term care services and support.

Thank you again for your work on Medicare. HLC looks forward to continuing to collaborate with you on developing an optimal, 21st century healthcare system. If you have any questions, please do not hesitate to contact Debbie Withey at (202) 449-3435.

Sincerely,



Mary R. Grealy  
President

cc: The Honorable Richard Neal  
cc: The Honorable Pat Tiberi  
cc: The Honorable Sander Levin