CHRONIC Care Legislation Improves Care for Medicare Beneficiaries

An increasing number of adults who will age into the Medicare program over the next two decades live with multiple chronic conditions, and more than two-thirds of beneficiaries in the program today have multiple chronic conditions. Chronically ill patients account for a large percentage of overall Medicare spending, which will continue to grow until the program provides consistent, high-quality, coordinated care for these individuals. The CHRONIC Care Act, spearheaded by the Senate Finance Committee's Chronic Care Working Group, includes bipartisan policy solutions that can help Medicare providers better serve the unique needs of these vulnerable beneficiaries.

The CHRONIC Care Act improves the Medicare program through the following policies targeting traditional fee-for-service, Medicare Advantage and Accountable Care Organizations (ACOs):

- **Independence at Home (IAH):** Expands and extends the successful IAH program, which allows seniors with multiple, complex, and often expensive chronic conditions to receive specialized care at home from a team of health care providers.

- **Medicare Advantage:** Improves flexibility and predictability to better serve chronically ill beneficiaries through:

    - **Value-Based Insurance Design**: Allows MA plans in <u>every</u> state to tailor coordination and benefits to *specific* patient groups, in contrast to current law which mandates uniform benefits.

    - **Special Needs Plans (SNPs)**: Permanently extends SNPs, and requires greater coordination for chronically ill enrollees and dual-eligibles enrolled in a D-SNP plan.

    - **Expands Supplemental Benefits**: Allows MA plans to offer a wider array of benefits that may be non-health related to better address the underlying causes of chronic illness.

- **Accountable Care Organizations (ACOs):**

    - Establishes a program allowing certain ACOs to use their own money to help assigned patients afford important primary care services needed to manage the individual's chronic conditions.

    - Gives certain ACOs the option to have beneficiaries assigned prospectively (at the beginning of a performance year) rather than retrospectively. The goal is to provide these ACOs increased financial predictability and certainty along with the flexibility to target needed services to individuals living with chronic conditions.

- **Telehealth**:
    - Allows an MA plan to include additional telehealth services in its bid.
    - Gives certain ACOs more flexibility to provide telehealth services.
    - Allows beneficiaries receiving dialysis treatments at home to do their monthly check-in with their doctor via telehealth, rather than travelling to the doctor's office or hospital.
    - Expands the availability of telehealth to ensure individuals who may be having a stroke receive the right diagnosis and treatment.

Last year, CMS adopted four policies first presented by the Chronic Care Working Group that will directly improve care for Medicare beneficiaries with chronic illness. They include:

- Chronic Care Management: Gives providers a higher payment if they spend more time actively coordinating care for chronically ill patients.
- Integrated Behavioral Health Care: Provides new payments for those who integrate primary care and mental health/substance use disorder treatment.
- Better Care for Patients with Cognitive Impairments: Creates a new opportunity for patients with Alzheimer's disease and other cognitive impairments to receive an assessment and engage in care planning with their doctors to help manage these debilitating conditions.
- Diabetes Prevention: Encourages providers to help people at risk of developing diabetes with education and prevention.

In addition, the 21st Century Cures Act (P.L. 114-255), signed into law on December 13, 2016, included two important CHRONIC Care Act provisions improving risk adjustment in the MA program and ensuring access to MA plans for Medicare-eligible individuals with end-stage renal disease.