

The Honorable Max Baucus
Chairman
Senate Finance Committee

The Honorable Orrin G. Hatch
Ranking Member
Senate Finance Committee

The Honorable Dave Camp
Chairman
House Committee on Ways and Means

The Honorable Sander M. Levin
Ranking Member
House Committee on Ways and Means

November 12, 2013

Dear Chairman Baucus, Ranking Member Hatch, Chairman Camp and Ranking Member Levin,

We thank you for the opportunity to provide input on the Committees' draft proposal to permanently repeal the Medicare Sustainable Growth Rate (SGR) formula. The National Transitions of Care Coalition (NTOCC) appreciates your commitment to avert harmful provider payment cuts that cumulatively undermine the ability of health care facilities and professionals to provide successful and safe transitions of care for patients moving from one care setting to another. We applaud the Committees' commitment to reform the current fee-for-service payment system to better reward value over volume and align incentives across providers to drive better, more coordinated care.

NTOCC is a non-profit organization of leading multidisciplinary health care organizations and stakeholders dedicated to providing solutions that improve the quality of health care through stronger collaboration between providers, patients, and family caregivers. The organization was formed in 2006 to raise awareness about the importance of transitions in improving health care quality, reducing medication errors, and enhancing clinical outcomes among health care professionals, government leaders, patients, and family caregivers.

NTOCC was particularly encouraged to see that the proposal would establish codes for complex chronic care management services beginning in 2015 to encourage better care coordination for individuals with complex chronic medical conditions. NTOCC strongly supports providing incentives to better manage Medicare patients with multiple chronic conditions who are at the highest risk of a poor transition, which can lead to not only high readmission rates, but also functional decline or death. Poor communication during these transitions can lead to confusion about the patient's condition and appropriate care, duplicative tests, inconsistent patient monitoring, medication errors, delays in diagnosis and lack of follow through on referrals. These problems result in significant financial burdens for patients, payers, and taxpayers.

It is important to highlight that care management services are best delivered in a team setting in which under the supervision of the billing physician, social workers, case managers, nurses, and pharmacists deliver these services to ensure that patients' and families' medical, psychosocial, and mental health needs are met. Evidence supporting team-based care interventions has demonstrated improvements in both health outcomes and reduction in costs to the health care system. For example, several evidenced models focused on improving care coordination during transitions have reduced 30-day readmission rates by 20-40

percent.ⁱ NTOCC has long advocated that in order to reduce overall hospital readmissions and improve health outcomes, policymakers must implement a payment system that incentivizes better transitions of care and encourage better care coordination across provider settings.

NTOCC shares the Committees' goals of moving "away from the current volume-based payment system to one that rewards quality, efficiency, and innovation." NTOCC appreciates the opportunity to submit these comments and looks forward to working with both Committees to improve patient outcomes and strengthen our health care delivery system through improved care coordination and care transitions.

Sincerely,



Cheri Lattimer
Executive Director

ⁱ Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Fiscal Year 2013 Rates, Proposed Rule, Fed. Reg., Vol. 77, No. 92. 28110-28039 (May 11, 2012). Web. <http://www.gpo.gov/fdsys/pkg/FR-2012-05-11/html/2012-9985.htm>