



October 4, 2013

The Honorable Paul Ryan
Chair, Committee on Budget
United States House of Representatives
1233 Longworth House Office Building
Washington DC 20515

Dear Representative Ryan:

As the Congressional discussion of budget priorities continues, we are writing on behalf of the Care Continuum Alliance (CCA) to seek your support in assuring that the more than 14 million Medicare beneficiaries enrolled in a Medicare Advantage (MA) plan will not experience any additional cuts to the MA program, and will continue to have access to the quality care delivery, care coordination and wellness and prevention services offered by MA plans.

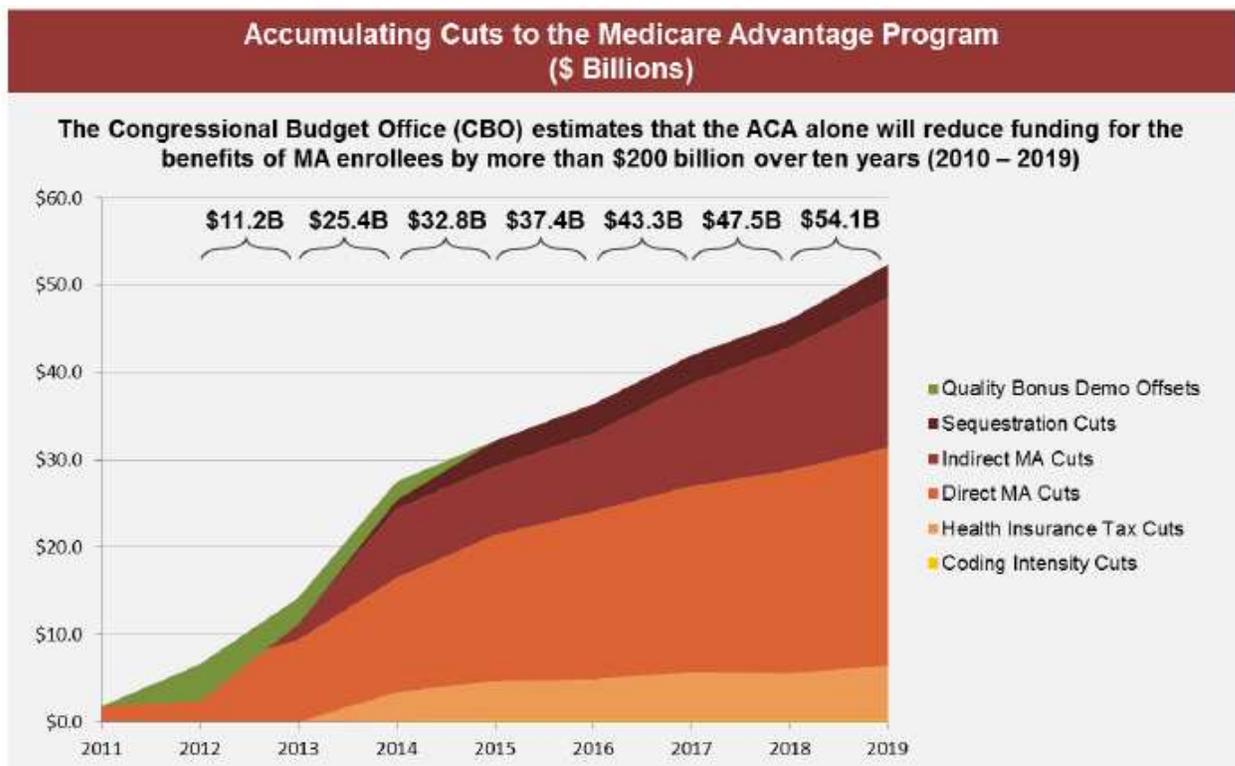
CCA convenes a broad range of stakeholders dedicated to enhancing the health of populations. Through advocacy, research, and education, CCA advances evidence-based population health management strategies. The CCA aims to improve care quality and health outcomes while reducing preventable costs for the healthy and those at risk of or suffering from chronic conditions. Our diverse membership of more than 200 organizations and individuals includes physician groups, nurses, other health care professionals, hospital systems, wellness and prevention providers, population health management organizations, pharmaceutical manufacturers, pharmacies and pharmacy benefit managers, health information technology innovators, employers, researchers, and academics.

Our member organizations serve Medicare beneficiaries across the country, including a large majority of beneficiaries enrolled in MA plans across the country. MA enrollees receive high quality care and enhanced services at lower costs. Of particular importance, MA enrollees often receive enhanced, evidence-based wellness and prevention services and chronic care management. These programs directly benefit America's seniors and help reduce health care spending overall.

For example:

- Medicare seniors with diabetes in a MA Special Needs Plan had 7% more primary care physician office visits and 19% fewer days in the hospital compared to seniors in Medicare fee-for-service (FFS).¹
- Seniors in an MA plan had a 14.5% 30-day readmission rate from 2006-2008, which was 22% lower than FFS readmission rates.²
- Seniors in MA plans are less likely to report trouble in receiving care, more likely to have a usual source of care, and more likely to receive necessary preventive services compared to seniors in FFS.³

Despite the measurable success of MA, the program faces challenges in 2014, 2015 and beyond. The Patient Protection and Affordable Care Act (PPACA) mandated \$200 Billion in cuts to the MA program. In addition, the 2012 Fiscal Cliff deal cut \$2.5 Billion from Medicare Advantage through a coding intensity provision. The Congressional Budget Office has outlined projected cuts to these programs in the coming years:



¹ "Medicare Advantage Chronic Special Needs Plan Boosted Primary Care, Reduced Hospital Use Among Diabetes Patients." Health Affairs 31.1 (2012).

² Lemieux, J., Sennett, C., Wang, R., et al., "Hospital Readmission Rates in Medicare Advantage Plans." American Journal of Managed Care 18(2):96-104 (2012).

³ Centers for Medicare and Medicaid Services, Medicare Advantage, Hill Notification Document, 11 (2007).

Even though only a small portion of PPACA cuts have taken effect so far (only ten percent of the cuts will have gone into effect by the end of 2013), the reduction in beneficiary choices has begun.⁴ The number of MA plans is projected to drop in 2014⁵. Although we understand that Congress faces many difficult choices in the budget debate, we are concerned that any further cuts to the MA program will undermine the ability of the program to sustain its impressive track record in improving care and reducing costs for Medicare beneficiaries.

We would be pleased to provide additional information on the program, highlight examples of the program's success, and further detail the positive impact it is having on the lives of America's seniors. If we can be of assistance, please feel free to contact Vicki Shepard at 202-525-9588 Vicki.shepard@healthways.gov.

Sincerely,

/signed/

Fred Goldstein
Acting Executive Director
Care Continuum Alliance

Vicki Shepard
Chair, Government Affairs Committee
Care Continuum Alliance

⁴ Congressional Budget Office, Letter to the Honorable Nancy Pelosi (March 20, 2010).

⁵ Avalere Health analysis of CMS Landscape File, September 23, 2013 accessed at www.avalerehealth.net