



February 6, 2015

The Honorable Joe Pitts
Chair
Committee on Ways & Means, Subcommittee on Health
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Gene Green
Ranking Member
Committee on Ways & Means, Subcommittee on Health
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Re: Comments in response to the Energy & Commerce Committee, Subcommittee on Health hearing *“A Permanent Solution to the SGR: The Time is Now.”*

Dear Chairman Pitts & Ranking Member Green:

On behalf of the Healthcare Quality Coalition (HQC), we are writing to commend the Energy and Commerce Subcommittee on Health for their focus on addressing the flawed Medicare Sustainable Growth Rate (SGR). In addition, we thank the committee for their attention to this important issue very early on in the 114th Congressional session. Finally, as expressed numerous times by panel members during the two-day hearing, we extend our support for the core value-based policy provisions in the *SGR Repeal and Medicare Beneficiary Access Act of 2013*. These provisions are critical for moving away from a fee-for-service payment system to one that rewards value.

The HQC is comprised of hospitals, physicians, health systems and associations committed to value-based healthcare. Our provider systems have more than 19,000 licensed hospital beds, employ more than 21,000 physicians, and have more than 225,000 employees across the country. Organized in 2009, the HQC supports efforts to create a sustainable Medicare system that incentivizes and rewards high-value care. We believe value-based payment policies can drive better quality, lower the cost of care, and reduce overall costs for the Medicare program. We believe value-based policies that incentivize quality and efficiency will ultimately produce savings in the Medicare program, and urge policymakers to refrain from arbitrary across-the-board provider and hospital payment reductions to finance long-term SGR reform.

Mission: “The HQC strives to transition healthcare delivery and payment from wasteful, volume-driven incentives to a value-based (higher quality, lower cost) system. The HQC advocates advancing healthcare payment policies that encourage high value care and appropriately compensate for outcomes through measurable quality and cost criteria.”

www.qualitycoalition.net info@qualitycoalition.net (608) 775-1400

Delivering value-based care is measured by both quality and cost, and the HQC has long supported efforts to create a sustainable Medicare system through incentives to reduce costs and improve quality. Throughout the hearing, we were encouraged by the dialogue in support of driving value-based care, which are the core features in the *SGR Repeal and Medicare Beneficiary Access Act of 2013* to develop a comprehensive Merit Incentive Payment System (MIPS) as well as incentives for participation in Alternative Payment Models (APMs). Although there are policy provisions in the legislation as advanced during the 113th Congress that are of concern, such as revenue thresholds to participate in APM's and delay of incorporating efficiency measures into the MIPS to reward high efficient providers, we continue our call onto Congress to reform SGR and continue to drive value in a predominantly flawed fee-for-service payment scheme.

Conclusion

On behalf of the HQC, we again commend the House Energy and Commerce Subcommittee on Health on their steadfast focus on repealing the SGR, and advancing value-based payment in the Medicare program. We greatly appreciate the opportunity to provide comments and look forward to continuing our dialogue on this proposal. Please feel free to contact us with any questions.

Sincerely,

The Healthcare Quality Coalition

Cc: The Honorable Fred Upton, Chair, Committee on Energy and Commerce

The Honorable Frank Pallone, Jr., Ranking Member, Committee on Energy and Commerce

Mission: "The HQC strives to transition healthcare delivery and payment from wasteful, volume-driven incentives to a value-based (higher quality, lower cost) system. The HQC advocates advancing healthcare payment policies that encourage high value care and appropriately compensate for outcomes through measureable quality and cost criteria."

www.qualitycoalition.net info@qualitycoalition.net (608) 775-1400