COMMITTEE ON FINANCE NEWS RELEASE



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## The America's Healthy Future Act Improving the Way We Deliver Health Care

While our hospitals and physicians deliver some of the best care in the world, our health care system is full of waste and inefficiencies, such as duplicate testing and procedures, overpayments to HMO's and unnecessary hospital readmissions, which cost patients time and money, but do not make them any healthier. Improving the way we deliver care will lower costs and improve quality throughout our health care system, ensuring patients get the best possible care at the best possible price. The America's Healthy Future Act includes policies to make our health care delivery system more effective, higher quality and more efficient.

- Promoting Quality Care The America's Healthy Future Act shifts Medicare from a payment system based on volume that rewards <u>quantity</u> of services, to a payment system based on value that rewards <u>quality</u> care. Currently, Medicare pays health care providers for the number of services they provide, for every test, scan or procedure they conduct, regardless of whether the treatment actually helps patients get better. Tying reimbursements to quality, not quantity, will save money and improve quality of care by discouraging inappropriate treatments.
- Combating Fraud, Waste, and Abuse Today, fraud accounts for three percent of total health care spending, costing Americans approximately \$60 billion a year. The America's Healthy Future Act takes measures to combat fraud, waste and abuse in the health care system by: enhancing oversight, effectively leveraging technology, educating providers to increase compliance with standard administrative procedures, monitoring programs more vigilantly, and penalizing fraudulent activity swiftly and sufficiently.
- Promoting Primary Care Despite their critical function, primary care doctors are undervalued in our current system, which leads many physicians to pursue a career in specialty care instead, and has contributed to a shortage of primary care doctors. To encourage more doctors to practice primary care, the America's Healthy Future Act would provide primary care practitioners and targeted general surgeons with a Medicare payment bonus of ten percent for five years.
- Investing in Infrastructure The America's Healthy Future Act invests in research and information, transparency, pilot programs designed to increase quality and the health care workforce itself. Together, these investments are designed to create a more effective, efficient system capable of delivering better care to patients.
- Ensuring Accurate Payments The America's Healthy Future Act works to ensure doctors, hospitals and other health care providers are paid fairly and accurately for their services by the Medicare program. Because Medicare payment rates often set the standard private insures follow, reducing overpayments in Medicare will not only save money for seniors and taxpayers, it will lower costs throughout the entire system.
- Modernizing the Health Care System The America's Healthy Future Act increases efficiency in the health system by standardizing electronic transactions among insurers and health care providers, lowering premiums and allowing doctors to spend less time filling out paperwork and more time treating patients.

- Fostering Care Coordination and Provider Collaboration When providers are able to work together across different settings, like doctor's offices, hospitals, nursing homes and rehabilitation facilities, data shows patients get well sooner and costs in the system are lower. The America's Healthy Future Act creates payment incentives for chronic care management and collaboration among doctors and facilities, to ensure patients get the best possible care. The bill also addresses the impending cuts to physician reimbursement rates and expands Medicare participation in community-level health care delivery system reforms.
- Medicare Advantage: Promoting Quality, Efficiency and Care Management Private insurers that participate in Medicare should bring value to the program and the patients it serves. The America's Healthy Future Act ensures appropriate payments to private insurers in the Medicare Advantage program to encourage them offer high quality insurance plans to patients in the program.

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