

# CONTROLLING HEALTH CARE COSTS

Finding savings in our current health care system is not just about paying for reform in the short-term — it's about controlling unsustainable health care costs in the long run, or "bending the curve" on health care spending. We cannot just keep adding patients to a broken system. Without controlling health care costs, families will continue to be burdened with higher premiums, businesses will be forced to drop coverage or lay off workers, and our national and state budgets will be fiscally unsustainable.

The Congressional Budget Office estimates that the Medicare reforms in this bill will save more than \$500 billion over the next ten years. Many of the reforms to the way we deliver health care are designed for long-term savings—like preventive and wellness care—but will not be "scored" by CBO. All of these reforms are critical to the long-term sustainability of our health care system.

#### PROMOTING MORE EFFICIENT DELIVERY OF HEALTH CARE

Delivery reform means making sure that the right patient gets the right treatment at the right time, in the most efficient way possible. This bill includes reforms in Medicare that will reward the *quality* of care, not the *quantity* of care. America's Affordable Health Choices Act:

- Creates incentives to reduce preventable hospital readmissions that reward transition planning and coordination for patients who move from a hospital bed back home or to another health facility;
- Promotes Accountable Care Organizations that provide for hospitals and doctors working together to manage and coordinate care;
- Establishes pilot projects to test "bundling" payment methodology under which one payment would be made -- rather than separate payments -- to any combination of a physician, acute and post-acute providers;
- Ensures that physicians and nurses have access to the most accurate and up to date research when making treatment decisions;
- Builds productivity adjustments into provider payment systems encouraging providers to improve
  efficiency on pace with the rest of the economy.

## IMPROVING ACCURACY AND ELIMINATING WASTE, FRAUD AND ABUSE

In trying to get health care costs under control, it's important that we know what we're paying for. That means cracking down on waste, fraud, and abuse, and making sure that payments are made accurately and for the right services and coverage. America's Affordable Health Choices Act:

- Requires providers and suppliers to adopt compliance programs as a condition of participating in Medicare and Medicaid;
- Increases funding for the Health Care Fraud and Abuse Control Fund to fight Medicare and Medicaid fraud;

- Eliminates wasteful overpayments to Medicare Advantage plans that increase private plan profits, not patient care;
- Improves payment accuracy for numerous other providers, following recommendations by the non-partisan Medicare Payment Advisory Commission;
- Requires drug and device companies to disclose their payments to physicians to reduce excessive utilization.

#### UTILIZING PREVENTION AND WELLNESS PROGRAMS

Benjamin Franklin was right – "An ounce of prevention is worth a pound of cure." Prevention and wellness programs will help Americans live longer, healthier lives, and help reduce the need for more costly treatments of health conditions later in life. America's Affordable Health Choices Act:

- Eliminates patient co-pays on preventive services in Medicare and private plans;
- Creates community-based programs that deliver prevention and wellness services;
- Invests in the science of prevention so physicians know which preventive treatments work best.

### STRENGTHENING PRIMARY CARE

Primary care providers can provide lower cost and higher quality care for many ailments. America's Affordable Health Choice Act:

- Improves payments for family doctors and other primary care providers;
- Increases training of primary care doctors;
- Expands Community Health Centers;
- Encourages physician training outside the hospital, where most primary care is delivered;
- Promotes medical homes that encourage primary care providers to manage and coordinate their patients' care over time.

#### INVESTING IN OUR WORKFORCE

Ensuring coverage for everyone won't fix our health care system unless we also make sure we have a strong health care workforce that is designed to meet their needs. Affordable Health Choice Act:

- Expands the pipeline of individuals going into health professions (such as primary care, nursing, and public health);
- Creates and expands scholarships and loans for individuals in needed professions and shortage areas;
- Increases the National Health Service Corps by an amount sufficient to eliminate 40% of the estimated shortfall in primary care providers;
- Improves accountability for graduate medical education funding to ensure that physicians are trained with the right skills to practice modern health care;
- Strengthens tools to gather data on health care workforce needs and diversity.