



Medicare: Today's Issue

April 22, 2004

BETTER BENEFITS – MORE CHOICES

*Good News about the Medicare Prescription Drug, Improvement
and Modernization Act of 2003!*

New Initiative under the MMA to Improve Quality of Care for Medicare Beneficiaries with Chronic Illnesses

On Tuesday, April 20, **Secretary Thompson announced a new Medicare initiative to improve the quality of care for people living with multiple chronic illnesses** by helping them manage their conditions and encouraging better coordinated care. This initiative **will help hundreds of thousands of seniors and disabled Americans with chronic illnesses to stay healthier and receive higher quality care.**

- ❖ **Chronic conditions are now the leading cause of illness, disability, and death.** They affect almost half of the U.S. population and account for the majority of health care expenditures. Studies have shown that persons with chronic illnesses like diabetes, asthma, congestive heart failure, hypertension and other long-term diseases use a disproportionate share of medical services. This relatively small population of beneficiaries is frequently treated by multiple providers, whose care is fragmented, potentially leading to poor quality outcomes for beneficiaries as well as duplicative or unnecessary services, which drive up medical expenses.
- ❖ Authorized by the Medicare Modernization Act of 2003 (MMA), the new initiative, known as the **Voluntary Chronic Care Improvement Program, will reach about 150,000 to 300,000 beneficiaries** who are enrolled in traditional fee-for-service Medicare and who have multiple chronic conditions, including congestive heart failure, complex diabetes and chronic obstructive pulmonary disease.
- ❖ The Voluntary Chronic Care Improvement Program will be **the first CMS chronic care improvement initiative that will be implemented on a large scale and is truly population based**, meaning participants are identified prospectively and organizations are held accountable for improving health and cost outcomes for the entire identified population.
- ❖ The chronic care improvement services will supplement the benefits already provided under fee-for-service Medicare. **Beneficiary participation will be completely voluntary and will not affect beneficiaries' access to services or their ability to choose their doctors and other health care providers.** Their Medicare benefits will not change as a result of receiving these additional services.
- ❖ **Beneficiaries choose to participate will receive help in managing their conditions, following their physicians' plan of care and ensuring that they know about, and can take advantage of, Medicare-covered benefits that will help to reduce their health risks.** Similar strategies have been widely and successfully adopted across the health care system.
- ❖ The Chronic Care Improvement Program demonstrates this Administration's **commitment to improving and strengthening the traditional fee-for-service Medicare program while supporting and improving physician/patient relationships.**